

**The National Taxpayer Advocate Provided
Appropriate Training on the Associate
Advocates' Role and Responsibilities**

September 2001

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DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

INSPECTOR GENERAL
for TAX
ADMINISTRATION

September 24, 2001

MEMORANDUM FOR NATIONAL TAXPAYER ADVOCATE

Pamela J. Gardiner

FROM: Pamela J. Gardiner
Deputy Inspector General for Audit

SUBJECT: Final Audit Report - The National Taxpayer Advocate
Provided Appropriate Training on the Associate Advocates' Role
And Responsibilities

This report presents the results of our review of the National Taxpayer Advocate's (NTA) efforts to train the Associate Advocates¹ on their role and responsibilities. The objective of this review was to determine whether the office of the NTA developed and delivered training and materials to assist Associate Advocates to successfully acclimate to their role and responsibilities as taxpayer advocates in the Internal Revenue Service (IRS). The Office of the NTA assists taxpayers in resolving problems that have not been resolved through normal channels or who are suffering significant hardships. In Fiscal Year 2000, the NTA reported that Associate Advocates independently reviewed and took action to resolve over 256,000 cases.

In summary, the Taxpayer Advocate Service (TAS) developed and delivered training and materials to Associate Advocates to help ensure they understand their role and responsibilities as taxpayer advocates in the IRS. The TAS also developed and provided to Associate Advocates resource materials that reinforce what it means to be taxpayer advocates.

¹ The term, Associate Advocates, as used in this report, refers to the Taxpayer Advocate Service employees responsible for working cases to help resolve taxpayer problems. This term includes both the Associate Advocates and the Senior Associate Advocates.

The TAS developed a one-week orientation course that defined the advocates' role and responsibilities. The course was provided to 96 percent (1,247 of the 1,298) of the Associate Advocates between August 1999 and January 2001. Over 94 percent of the 34 Associate Advocates and managers the Treasury Inspector General for Tax Administration interviewed believed that the training helped them be aware of their role and responsibilities as taxpayer advocates. When asked, all 34 employees clearly outlined their role and responsibilities.

The TAS also provided its Associate Advocates with supplemental reference materials and sources to reinforce their role and responsibilities. These included the TAS internal manual, position descriptions and employee critical job elements, the TAS Intranet, email and voice message systems, meetings, and memoranda.

Management's Response: The NTA agreed with the results and conclusions presented in this report. Management's complete response to the draft report is included as Appendix IV.

Please contact me at (202) 622-6510 if you have questions or John R. Wright, Acting Assistant Inspector General for Audit (Headquarters Operations and Exempt Organizations Programs), at (202) 927-7077.

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Background

The office of the National Taxpayer Advocate (NTA) assists taxpayers in resolving problems that have not been resolved through normal channels or who are suffering significant hardships. In the Fiscal Year 2000 Annual Report to the Congress, the NTA reported that Associate Advocates¹ independently reviewed and took action to resolve over 256,000 cases.

As a result of the Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (RRA 98),² the Taxpayer Advocate Service (TAS) became an independent function of the IRS. The reorganized TAS consists of 9 Area Taxpayer Advocates (ATAs) who report to the NTA and oversee the casework of 74 Local Taxpayer Advocates (LTAs). The LTAs manage the local TAS offices and report to the ATA over their area. Associate Advocates in the local offices are responsible for helping taxpayers resolve problems by taking an objective look at their problems and working with IRS Operations to ensure a fair outcome.

The RRA 98 also expanded the definition of a significant hardship.³ The LTAs and the NTA can issue a Taxpayer Assistance Order after determining that a taxpayer is suffering or about to suffer a significant hardship as a result of the manner in which the internal revenue laws are being applied. A Taxpayer Assistance Order may require the IRS

¹ The term, Associate Advocates, as used in this report, refers to the Taxpayer Advocate Service employees responsible for working cases to help resolve taxpayer problems. This term includes both the Associate Advocates and the Senior Associate Advocates.

² The Internal Revenue Service Restructuring and Reform Act of 1998 (RRA 98), Pub. L. No. 105-206, 112 Stat. 685 (codified as amended in scattered sections of 2 U.S.C., 5 U.S.C., 5 app., 16 U.S.C., 19 U.S.C., 22 U.S.C., 23 U.S.C., 26 U.S.C., 31 U.S.C., 38 U.S.C., and 49 U.S.C.).

³ 26 U.S.C. 7811(a)(1)(A) (1986). Significant hardship is when one of four factors exists: (1) there is an immediate threat of adverse action; (2) there has been a delay of more than 30 days in resolving the taxpayer's problems; (3) the taxpayer will have to pay significant costs (including fees for professional services) if relief is not granted; or (4) the taxpayer will suffer irreparable injury or a long term adverse impact if relief is not granted.

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to release taxpayers' property or to take an action permitted by law. It may also stop the IRS from taking an action.

The new independent organization with its expanded hardship criteria faced the challenge of ensuring that Associate Advocates received sufficient training and materials to effectively represent the individual taxpayer's interests. The NTA undertook a major training initiative with the goal of ensuring all advocates received training to acclimate to the new TAS organization.

The Treasury Inspector General for Tax Administration (TIGTA) performed this audit work between March 2001 and July 2001 in the TAS headquarters office, and the Atlanta, Dallas, and Richmond Area and Local TAS offices. This audit was performed in accordance with *Government Auditing Standards*. Detailed information of our audit objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.

The Taxpayer Advocate Service Developed and Delivered Training to Its Associate Advocates on Their Role and Responsibilities

The TAS developed appropriate training for its Associate Advocates, providing instruction and course materials that emphasized the independent role of a taxpayer advocate with responsibilities for resolving taxpayer problems. The training and course materials stressed the importance of speaking on behalf of the taxpayer, educating taxpayers about their rights and responsibilities, and protecting taxpayer rights and reducing taxpayer burden whenever possible.

The Deputy National Taxpayer Advocate advised us that statutory and delegated requirements and expectations of the Associate Advocates had changed. Associate Advocates are now expected to look at all the taxpayer's problems and issues from the taxpayer's point of view and in line with the existing statutory and delegated requirements.

In response to these changes, the TAS timely delivered a one-week training course to the advocate workforce outlining the role and responsibilities of a taxpayer advocate. The course also outlined various work processes needed to resolve multiple tax issues within the various IRS functions and units. This course was provided between

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August 1999 and January 2001 to 96 percent (1,247 of 1,298) of the Associate Advocates.

Over 94 percent of the 34 Associate Advocates and managers the TIGTA judgmentally selected and interviewed believed that the training helped them be aware of their role and responsibilities as taxpayer advocates. When asked, all 34 employees clearly outlined their role and responsibilities. For example, some of the Associate Advocates' comments included that a taxpayer advocate should:

- Educate taxpayers and ensure taxpayers are treated fairly and know their rights.
- Act as the taxpayers' go-between by outlining the taxpayers' issues or problems to the IRS operating divisions.
- Serve as a fresh, independent look at the taxpayer's problem and determine what is needed to resolve the problem.

The Taxpayer Advocate Service Provided Additional Reference Materials and Sources to Reinforce the Advocates' Role and Responsibilities

To supplement the formal training, the TAS provided its Associate Advocates with additional reference materials and sources to reinforce the Associate Advocates' role and responsibilities. These included the TAS internal manual, position descriptions and employee critical job elements, the TAS Intranet, email and voice message systems, meetings, and memoranda. Additionally, one of the offices visited recently began publishing a local TAS employee newsletter.

The TAS' new internal manual includes the new organizational structure, and emphasizes the organization's new independence. In addition, the manual stressed that the Associate Advocates should keep the taxpayers' best interests in mind when considering possible actions or recommendations. The TAS also ensured that the newly developed position description and employee critical job elements for the Associate Advocates clearly defined their role and responsibilities.

The TAS also established a question and answer page on its Intranet where advocates can obtain answers to questions on a variety of topics, including what it means to be a taxpayer advocate. Many Associate Advocates interviewed stated that they participate in group meetings, and also receive

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emails, voice messages, and memoranda addressing their role as advocates and their responsibilities to the taxpayer. In addition, the Richmond Area Advocate's office began publishing an area-wide employee newsletter in December 2000. The first two issues contained informative articles discussing what it means to be a taxpayer advocate.

In summary, the NTA and the TAS have developed and provided training and course materials to help ensure Associate Advocates are aware of their role and responsibilities as taxpayer advocates in the IRS. In addition, the TAS provided the Associate Advocates access to materials and sources that emphasize the independent role of a taxpayer advocate with responsibilities for resolving taxpayer problems.

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Appendix I

Detailed Objective, Scope, and Methodology

The objective of this audit was to determine whether the office of the National Taxpayer Advocate developed and delivered training and materials to assist Associate Advocates¹ to successfully acclimate to their role and responsibilities as taxpayer advocates in the Internal Revenue Service (IRS). We performed the following steps:

- I. Determined how the role and responsibilities of the Associate Advocates in the Taxpayer Advocate Service (TAS) changed since the implementation of The IRS Restructuring and Reform Act of 1998 (RRA 98),² and the new IRS and the TAS organizational structure.
 - A. Reviewed the law, related regulations, directives, and other information relevant to the TAS' new mission, goals, and objectives.
 - B. Interviewed appropriate TAS executives and managers to determine how they interpreted the law, saw the Associate Advocate's role and responsibilities change, and communicated that change to the Associate Advocates.
 - C. Determined how the TAS addressed questions posed by the Associate Advocates about their role and responsibilities and interpretations of the law.
- II. Determined whether the TAS developed training to prepare Associate Advocates for their new role and responsibilities in the IRS organization. We interviewed TAS headquarters executives to determine how training needs were identified and delivered, and obtained and reviewed the course materials developed to train the Associate Advocates.
- III. Determined whether Associate Advocates received the planned training.
 - A. Determined how national training efforts are controlled and tracked and whether the TAS uses the IRS national database, Administrative Corporate Education System.
 - B. Determined what training courses included the Associate Advocates' new role and responsibilities, the new TAS organization, and case criteria.

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² The Internal Revenue Service Restructuring and Reform Act of 1998 (RRA 98), Pub. L. No. 105-206, 112 Stat. 685 (codified as amended in scattered sections of 2 U.S.C., 5 U.S.C., 5 app., 16 U.S.C., 19 U.S.C., 22 U.S.C., 23 U.S.C., 26 U.S.C., 31 U.S.C., 38 U.S.C., and 49 U.S.C.).

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- C. Evaluated the sufficiency of the training and training materials to effectively acclimate the Associate Advocates to their role and responsibilities as taxpayer advocates in the IRS organization.
 - D. Obtained a current list of all TAS Associate Advocates and a list of the training these employees had received. Compared the two lists to identify all employees who had not received training on their role and responsibilities. Followed up with management on any significant training gaps identified.
 - E. Interviewed a judgmental sample of Associate Advocates in the Taxpayer Advocate Local Offices in Atlanta, GA, Dallas, TX, and Richmond, VA, to determine if they actually received the training and training materials. We selected these sites because both the Area and Local Taxpayer Advocates were co-located. At each office we randomly selected a judgmental sample of Associate Advocates to interview using the list of employees provided by the TAS. We did not need to project and, therefore, did not do a statistically valid sample.
- IV. Determined what materials and resources (other than training) the TAS provided to Associate Advocates on their new role and responsibilities as taxpayer advocates.
- A. Interviewed the appropriate TAS officials to determine what materials were provided and how they provided the materials and resources to Associate Advocates.
 - B. Obtained copies of and evaluated the materials provided to Associate Advocates by the NTA or local offices to determine whether they adequately incorporated the new role and responsibilities, including the organizational changes and the case criteria.
 - C. Interviewed a judgmental sample of Associate Advocates in the Taxpayer Advocate Local Offices in Atlanta, GA, Dallas, TX, and Richmond, VA, to determine if they actually received the materials. See step III.E. for selection methodology.

Major Contributors to This Report

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Appendix III

Report Distribution List

Commissioner N:C
Chief Counsel CC
Director, Taxpayer Account Operations TA:TAO
Director, Taxpayer Advocate Service Strategic Human Resources TA:HR
Director, Legislative Affairs CL:LA
Director, Office of Program Evaluation and Risk Analysis N:ADC:R:O
Office of Management Controls N:CFO:F:M
Audit Liaison: National Taxpayer Advocate TA

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Appendix IV

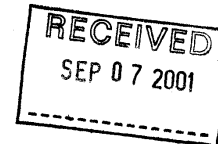
Management's Response to the Draft Report



National
Taxpayer Advocate


Department of the Treasury
Internal Revenue Service
Washington, DC 20224

SEP - 5 2001



MEMORANDUM FOR TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

THRU: Chief, Communications and Liaison

FROM: Nina E. Olson 
National Taxpayer Advocate

SUBJECT: Response to Draft Audit Report - The National Taxpayer
Advocate Provided Appropriate Training on the Associate
Advocates' Role and Responsibilities (#200110022)

I am pleased to hear your findings show the Taxpayer Advocate Service (TAS) organization is fulfilling the critical objective of ensuring all TAS employees understand their roles and responsibilities. As I noted in my June 30, 2001 Objectives Report to Congress, a skilled, well-trained workforce is key to accomplishing our mission. During fiscal year 2002, we will focus on developing and executing a corporate approach to training and education. This effort, which will incorporate both strategic and tactical initiatives, will ensure we give TAS employees the skills and abilities they need to perform their jobs, and will promote their professional development and career progression within both TAS and the IRS.

With the assistance of a contractor experienced in strategic planning, we will design the first TAS four-year strategic training plan. The plan will help us develop employees with the skills to address the evolving customer and casework bases. The plan will also allow us to recruit and retain those employees by demonstrating the organizational commitment to their professional and personal development.

The multi-year training plan will include an annual TAS-wide training meeting that will offer beginning and advanced training programs for TAS employees. Session topics may include technical skills, conflict management, case management, management techniques, communications skills, ethics, stress management, Taxpayer Advocate Management Information System (TAMIS), and the legislative process.

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We recently established a TAS training advisory board with our collective bargaining partner, the National Treasury Employees Union. This board will review and monitor the TAS training effort, evaluate our training priorities, and recommend training programs to the National Taxpayer Advocate. We will identify customer needs from many sources, including employee and customer satisfaction surveys, taxpayer input, and discussions with other Operating and Functional Divisions.

We will coordinate our tactical annual training plan with the four-year strategic training plan. The annual plan will address organizational and employee needs, such as those involving technical components (e.g., IRC Section 6413) and automation components (TAMIS and Integrated Case Processing training). It will also address skills needed to accomplish our casework (the Executive Correspondence Management System) and core leadership skills.

The TAS must give employees the tools they need to accurately identify and respond to taxpayer concerns. By setting training priorities, which reflect corporate goals, employee need and service to customers, we will maintain a capable and informed workforce. We expect these TAS training initiatives to improve business results, customer service, and employee satisfaction.

Thank you for the opportunity to review and comment on this report. If you have any questions or concerns, please call Rena Girinakis at (202) 622-4321.